

HOUSE BILL 225
By Ferguson

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51; Title 7, Chapter 2; Title 7, Chapter 21; Title 7, Chapter 34; Title 7, Chapter 52 and Title 7, Chapter 82, relative to the transfer and taxation of municipal utility facilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 6-51-111(e), is amended in the third sentence by inserting the language "within sixty (60) days of the delivery of the written notice" after the language "In the event the parties cannot agree on a purchase price".

SECTION 2. Tennessee Code Annotated, Section 7-2-108, is amended by adding the following new subsection thereto:

(e) The proposed charter shall not provide for the payment of any in lieu of taxes on or from electric revenues or electric system facilities from any municipal owned electric utility supported by its own revenues except as provided in title 7, chapter 52, part 3.

SECTION 3. Tennessee Code Annotated, Title 7, Chapter 21, Part 3, is amended by adding the following new section thereto:

Section 7-21-304. Notwithstanding any provision in this chapter to the contrary, no unified government may provide for the payment of any in lieu of taxes on or from electric revenues or electric system facilities from any municipal electric owned utility supported by its own revenues, except as provided in title 7, chapter 52, part 3.

SECTION 4. Tennessee Code Annotated, Section 7-34-115(a)(9), is amended by adding the following language to the end thereto:

Provided, that no such resolution shall require any payments in lieu of ad valorem taxes on or from the electric revenues or electric system facilities of any municipal electric owned utility supported by its own revenues, except as provided in title 7, chapter 52, part 3.

SECTION 5. Tennessee Code Annotated, Section 7-52-302(a), is amended by inserting the language and punctuation "except as provided in § 7-52-307," after the language "including certain provisions relating to the distribution of any such payments," and before the language "but not to repeal any".

SECTION 6. Tennessee Code Annotated, Section 7-82-105, is amended by adding the following language to the end of such section:

No district shall be authorized to pay any payments in lieu of taxes to any state, county, or municipality.

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it.